LAND USE COMMISSION MINUTES OF MEETING

November 4, 2004

Haleakala Ballroom Maui Prince Hotel Makena Resort 5400 Makena Alanui Makena, Maui, Hawaii

COMMISSIONERS PRESENT: Pravin Desai

Michael Formby Kyong-Su Im

Steven Montgomery Randall Sakumoto Peter Yukimura

COMMISSIONERS ABSENT: P. Roy Catalani

Isaac Fiesta, Jr. Lisa Judge

STAFF PRESENT: Diane Erickson, Deputy Attorney General

Anthony Ching, Executive Officer Bert Saruwatari, Staff Planner Sandra Matsushima, Chief Clerk Holly Hackett, Court Reporter

Wade Leland Kersey, Audio Technician

Presiding Officer Sakumoto called the meeting to order at 10:15 a.m.

ADOPTION OF MINUTES

Vice Chair Montgomery moved to adopt the Land Use Commission meeting minutes of October 21, 2004. Commissioner Yukimura seconded the motion. Said motion was unanimously approved by voice votes.

TENTATIVE MEETING SCHEDULE

Executive Officer Anthony Ching reported the following schedule:

• November 18-19 meetings will be held in Kona at the Waikoloa Marriott.

- December 2 workshop in Honolulu with a presentation by OIP regarding Sunshine Law and HCDCH on affordable housing.
- December 9-10 in Kona for hearings on Hiluhilu and to complete the Signal Puako and Kamehameha Schools East Hawaii Campus dockets.

Mr. Ching noted that hopefully the Kamehameha Investment Corporation hearings will be completed on the November 18 and 19 meeting dates.

Mr. Ching also indicated that an Information Fair might tentatively be scheduled in April after the legislative session has ended. The discussion will focus on regional issues of West Maui with government agencies such as HCDCH, DOT, County Public Works and Planning.

A04-748 CONSOLIDATED BASEYARDS, LLC (Maui)

Presiding Officer Sakumoto announced that this was a hearing on Docket No. A04-748 Consolidated Baseyards, LLC to consider the reclassification of approximately 23.164 acres of land in the Agricultural District to the Urban District at Waikapu, Maui, Hawaii.

APPEARANCES

Martin Luna, Esq., represented Consolidated Baseyards, LLC
Roger Fong, Consolidated Baseyards, LLC
Madelyn D'enbeau, represented County of Maui Department of Planning
Michael Foley, County of Maui Department of Planning
Paulleen Suyama, County of Maui Department of Planning
John Chang, Esq., represented State Office of Planning
Abe Mitsuda, State Office of Planning

Presiding Officer Sakumoto asked Mr. Luna if staff had provided notice and if he had any comments with respect to the Commission's reimbursement policy. Mr. Luna answered in the affirmative and had no comments or objections to the Commission's policy.

Presiding Officer Sakumoto noted that there were no public witnesses.

Staff Report

Staff Planner Bert Saruwatari provided the Commission with a staff report and a map orientation of the subject docket using LUC maps and photos of the subject docket area. There were no questions by the parties and the Commission.

PETITIONER'S WITNESSES

1. Roderick Fong

Mr. Fong stated that he is the Manager of Consolidated Baseyards, LLC. Mr. Fong's written statement was submitted as Exhibit 9. Mr. Fong summarized his statement and discussed the property and project lot sizes, the on-site potable water well, and waste water systems.

Ms. D'enbeau indicated that the County had no questions.

Mr. Chang's questions were in reference to the existing on-site water well, the single water meter, the agreement with the DOT Highways Division, and the testimony of OP and its proposed conditions.

Commissioner Yukimura had questions and concerns regarding the supply of potable water, the single water meter, and tie-in with the County water system.

Commissioner Formby had questions in reference to the current permits and plans for uses other than for light industrial, and agreements for the water storage tank.

Presiding Officer Sakumoto had questions and concerns related to the area of the state special use permit.

After a discussion, there were no further questions.

2. David Ward

Mr. Ward stated that he is a member of Consolidated Baseyards, LLC and was able to make commitments on behalf of Consolidated. He added that he is also co-manager of Frampton Ward LLC. Mr. Ward's resume was submitted as Exhibit 23. Mr. Ward stated that they are a consulting company and expounded on the need for light industrial and warehouse spaces in Maui. Mr. Ward discussed the centralized drainage plan, the potable and non-potable water sources, traffic improvements, and the septic systems.

Commissioner Formby's questions and concerns were relative to future commitments by the petitioner to connect to the county's system.

Commissioner Im had questions and concerns regarding the type of users, as the definition of light industrial includes a broad description. Commissioner Im explained that for decision making purposes, the commission needs a clear picture of the users and the potential traffic impacts in order to tailor a decision on the petitioner's development plans, and for conditions that may be imposed, such as an affordable housing requirement.

A recess break was taken at 11:20 a.m. The meeting reconvened at 11:40 a.m.

Mr. Ward indicated that in reference to the affordable housing component, a housing study was conducted on another petition and if the Commission was interested, he offered to conduct a housing study for this project.

Commissioner Im noted that a housing study would be helpful and may clarify the type of users of the project.

Commissioner Yukimura had questions and concerns relative to the individual wastewater systems, the county sewer lines, and ground water contamination.

Commissioner Formby had questions regarding the requirements of the individual wastewater systems by the lot owners.

Presiding Officer Sakumoto's questions and concerns were relative to recycling, the individual solid waste systems, and requirements to be imposed on the lot owners.

A lunch break was taken at 11:45 a.m. The meeting reconvened at 1:00 p.m.

Admission of Exhibits by the Parties

Mr. Luna introduced and described Exhibits 1-24. There were no objections by the State and County. Said exhibits were admitted into the record.

Ms. D'enbeau indicated that the County had one exhibit, the testimony of the Department of Planning. There were no objections by the State and Petitioner. Said exhibit was admitted into the record.

Mr. Chang introduced and described Office of Planning's Exhibits 1, 1a, 2 and 3. Exhibit 1 and 1a is the statement and testimony of the OP, Exhibit 2 and 3 are GIS maps. There were no objections by the County or Petitioner. Said exhibits were admitted into the record.

COUNTY'S WITNESS

Ms. D'enbeau requested that their witness be taken out of order, as Mr. Foley had another commitment to attend to. Presiding Officer Sakumoto noted that the Commission would allow Mr. Foley to testify at this time.

1. Michael Foley

Mr. Foley stated that he is the Director of the Department of Planning, County of Maui. He stated that the County is in support of the reclassification and recognizes some issues, such as the limitation of uses that emphasize light industrial and not commercial, the potable water from the county system, and the individual sewage treatment system. Mr. Foley added that they are in communication with petitioner in the zoning application process and that the project conforms to the community plan.

Mr. Chang had questions relative to traffic improvements, heavy truck traffic, and the bridge capacity in the area.

Vice Chair Montgomery had questions and concerns regarding the County's affordable housing policy.

Commissioner Desai had questions and concerns relative to the clear definition of wholesale, big box retail and other types of users.

Presiding Officer Sakumoto's questions were in reference to the County rezoning process.

Commissioner Im had questions and concerns related to the road conditions and the prohibition of heavy trucks on East Waiko Road.

Mr. Chang's questions were relative to the waters of Waikapu Stream and the 100-year flood zone.

After a brief discussion, there were no further questions.

PETITIONER'S WITNESSES (continued)

3. Neal Kasumoto

Mr. Kasumoto stated that he is employed by Austin Tsutsumi & Associates and was retained to conduct the traffic study for the petition area. Mr. Kasumoto's testimony was

submitted as Exhibit 15. He summarized his report and discussed issues of existing and projected traffic conditions, trip generations during peak a.m. and p.m. traffic hours, signal requirements, and the level of service analysis. Mr. Kasumoto added that the area could accommodate the traffic generated from this project with the recommended improvements.

Mr. Chang's questions and concerns were relative to the intersection of Honoapiilani Highway and Waiko Road, traffic signalization, acceleration and deceleration lanes, heavy truck traffic, and the 10,000-pound limitation bridge.

Commissioner Im had questions and concerns regarding the peak hour trip generation, the projected number of employees and customers driving in the area, and the effects of the different type of industrial uses upon traffic in the area.

Commissioner Formby's questions were in reference to the method of calculation for the projected number of employee's vehicles.

Presiding Officer Sakumoto had questions and concerns related to the analysis and conclusion from the ITE trip generation 7th edition manual, the category of data referenced in light industrial parks, and the inclusion of upcoming developments in the area in the traffic analysis.

After a brief discussion, there were no further questions.

A recess break was taken at 2:25 p.m. The meeting reconvened at 2:45 p.m.

4. Ivan Nakatsuka

Mr. Nakatsuka stated that he is the Chief Environmental Engineer with Austin Tsutsumi & Associates and his resume was submitted as Exhibit 24. Mr. Nakatsuka summarized his testimony and indicated that his involvement was with the water and wastewater portion, specifically the on-site private water well for domestic use and fire protection. Mr. Nakatsuka discussed issues on the quality of the water in the well and the proposed individual septic tanks.

Ms. D'enbeau had questions and concerns related to the private water system, level of contaminants in the drinking water source, and the comments issued by the Department of Water Supply.

Mr. Chang's questions and concerns were in reference to the private water system, water quality in the well, potential contaminants, the Department of Health requirements, and the 1,000-foot setback surrounding potable water wells.

Commissioner Desai had questions and concerns related to the aerobic IWS units.

Commissioner Formby's questions were in reference to Petitioner's Exhibit 19, DOH compliance and agreement, and the wastewater plus potable water issues.

Commissioner Im also had questions and concerns related to Petitioner's Exhibit 19, the 1,000-foot setback area and the location of IWS systems close to the water source, and the definition of the light industrial users.

Commissioner Yukimura moved that the Commission enter into executive session to discuss with its Deputy Attorney General, the Land Use Commission's decision-making criteria under § 205-17, Hawaii Revised Statutes. The motion was seconded by Commissioner Formby. Said motion was unanimously approved by voice votes.

The Commission entered into executive session at 3:40 p.m.

The open meeting reconvened at 3:55 p.m.

A recess break was called at 3:55 p.m. The meeting reconvened at 4:05 p.m.

Presiding Officer Sakumoto resumed the open meeting and noted that they will continue with Mr. Nakatsuka's testimony.

Mr. Nakatsuka discussed issues of the aerobic system, the 1,000-foot setback, DOH's review and compliance, leech fields, and the County's system.

Commissioner Im had questions and concerns related to the timeline of DOH's review, the wastewater system, and the 1,000-foot setback.

After a brief discussion, there were no further questions.

5. Stacy Otomo

Mr. Otomo's resume was submitted as Exhibit 3, his written testimony as Exhibit 11, and his supplemental testimony as Exhibit 21. Mr. Otomo stated that his original testimony included an alternative drainage system but after receiving comments from the County and the DOH, he revised his testimony to include a central drainage system to take care of roadway runoff from the individual lots. Mr. Otomo discussed issues regarding the central drainage system, filtration for contaminants, and runoff ditch.

Commissioner Im's questions were relative to the 50-year storm and the expected volume of water handled by the drainage system.

Commissioner Yukimura had questions regarding the potential co-mingling of the underground, perforated pipes located within the leech fields.

Presiding Officer Sakumoto's questions were in reference to the contaminants and DOH regulations.

After a brief discussion, there were no further questions.

6. Glenn Kunihisa

Mr. Kunihisa's resume was submitted as Exhibit 8 and his testimony as Exhibit 16. Mr. Kunihisa summarized his testimony and indicated that he conducted a marketing study for the proposed project, researching the demand by population growth, interest rates, historical rental rates, vacancy rates and other industrial lots.

Commissioner Im had questions and concerns relative to the upcoming developments in the area, the demands for light industrial space, and the types of owners who will occupy these lots.

After a brief discussion, there were no further questions.

Presiding Officer Sakumoto announced that the meeting will resume tomorrow at 8:30 a.m. and will begin with the County's Public Works and Waste Management Special Permit docket.

The meeting adjourned at 5:00 p.m.

(Please refer to LUC Transcript of November 4, 2004 for more details on this matter.)